

FEB 27 2001

COPY

Wayne Taylor, Jr.  
Chairman  
The Hopi Tribe  
P.O. Box 123  
Kykotsmovi, AZ 86039

Re: FS-98969501-1  
DRINKING WATER INFRASTRUCTURE TRIBAL SET-ASIDE PROGRAM-MOENKOPI

Dear Mr. Taylor:

The United States Environmental Protection Agency (EPA) is pleased to offer an Amendment for the program described on the enclosed agreement. Please review the conditions of the initial agreement as well as any new conditions which may have been added with this Amendment.

It is important to note that this Amendment is subject to the same Federal Regulations which have previously been furnished to you. **If you wish to accept this offer, please sign and date both originals of the enclosed Amendment and return one original to the Grants Management Office, PMD-7, within three weeks of receipt.** A copy of this Amendment is being forwarded to your staff as noted below.

The Amendment identifies the EPA Project Officer and EPA Grant Specialist who will be working with you and your staff. If you or your staff have any questions of a programmatic nature, please contact your EPA Project Officer. Questions relating to administrative or fiscal matters should be directed to your EPA Grants Specialist.

Sincerely,

Melinda Taplin  
Grants Management Officer

Enclosures



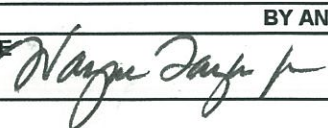
cc: John Carpenter, HT (w/attach)  
Nat Nutongla, HT (w/attach)

bc: Kevin Ryan, WTR-6 (w/attach)  
PMD-6 (award only)

MAIL CODE	PMD-7					
SURNAME	Stahl.					
DATE	2/27/01					

U.S. EPA CONCURRENCES

OFFICIAL FILE COPY

	<b>U.S. ENVIRONMENTAL PROTECTION AGENCY</b>  <b>Grant Agreement</b>		ASSISTANCE ID NO.			DATE OF AWARD <b>SEP 29 2000</b>  MAILING DATE <b>OCT 06 2000</b>  ACH#	
			PRG	DOC ID	AMEND#		
			FS -	98969501	- 0		
			TYPE OF ACTION New				
PAYMENT METHOD: Advance							
RECIPIENT TYPE: Indian Tribe			Send Payment Request to: Grants Management Office, PMD-7				
RECIPIENT: The Hopi Tribe P.O. Box 123 Kykotsmovi, AZ 86039 EIN: 86-0134082			PAYEE: The Hopi Tribe P.O. Box 123 Kykotsmovi, AZ 86039				
PROJECT MANAGER		EPA PROJECT OFFICER		EPA GRANT SPECIALIST			
Nat A. Nutongla P.O. Box 123 Kykotsmovi, AZ 86039 E-Mail: Phone: (520) 734-3000		Kevin Ryan 75 Hawthorne Street, WTR-6 San Francisco, CA 94105 E-Mail: ryan.kevin@epa.gov Phone: 415-744-2052		Elizabeth Stahl Grants Management Office, PMD-7 E-Mail: stahl.elizabeth@epa.gov Phone: 415-744-1689			
PROJECT TITLE AND DESCRIPTION DRINKING WATER INFRASTRUCTURE TRIBAL SET-ASIDE PROGRAM-MOENKOPI  This agreement provides EPA funding in the amount of \$42,000 for the Moenkopi Villages public water systems planning and conceptual design activities.							
BUDGET PERIOD 10/01/2000 - 02/28/2001		PROJECT PERIOD 10/01/2000 - 02/28/2001		TOTAL BUDGET PERIOD COST \$42,000.00		TOTAL PROJECT PERIOD COST \$42,000.00	
NOTE: The Agreement must be completed in duplicate and the Original returned to the appropriate Grants Management Office listed below, within 3 calendar weeks after receipt or within any extension of time as may be granted by EPA. Receipt of a written refusal or failure to return the properly executed document within the prescribed time, may result in the withdrawal of the offer by the Agency. Any change to the Agreement by the Recipient subsequent to the document being signed by the EPA Award Official, which the Award Official determines to materially alter the Agreement, shall void the Agreement.							
OFFER AND ACCEPTANCE							
The United States, acting by and through the U.S. Environmental Protection Agency (EPA), hereby offers Assistance/Amendment to the <u>The Hopi Tribe</u> for <u>100.00</u> % of all approved costs incurred up to and not exceeding <u>\$42,000</u> for the support of approved budget period effort described in application (including all application modifications) cited in the Project Title and Description above, signed <u>06/16/2000</u> included herein by reference.							
ISSUING OFFICE (GRANTS MANAGEMENT OFFICE)				AWARD APPROVAL OFFICE			
ORGANIZATION / ADDRESS				ORGANIZATION / ADDRESS			
U.S. EPA, Region 9 Grants Management Office, PMD-7 75 Hawthorne Street San Francisco, CA 94105				U.S. EPA, Region 9 Water Division 75 Hawthorne Street San Francisco, CA 94105			
THE UNITED STATES OF AMERICA BY THE U.S. ENVIRONMENTAL PROTECTION AGENCY							
SIGNATURE OF AWARD OFFICIAL			TYPED NAME AND TITLE			DATE	
			Alexis Strauss, Director, Water Division			<b>SEP 29 2000</b>	
This agreement is subject to applicable U.S. Environmental Protection Agency statutory provisions and assistance regulations. In accepting this award or amendment and any payments made pursuant thereto, (1) the undersigned represents that he is duly authorized to act on behalf of the recipient organization, and (2) the recipient agrees (a) that the award is subject to the applicable provisions of 40 CFR Chapter 1, Subchapter B and of the provisions of this agreement (and all attachments), and (b) that acceptance of any payments constitutes an agreement by the payee that the amounts, if any found by EPA to have been overpaid will be refunded or credited in full to EPA.							
BY AND ON BEHALF OF THE DESIGNATED RECIPIENT ORGANIZATION							
SIGNATURE			TYPED NAME AND TITLE			DATE	
			Wayne Taylor Jr., Chairman			<b>10/20/00</b>	

RECEIVED

OCT 30 2000

GMO, PMD-7





FS - 98969501 - 0 Page 2

FUNDS	FORMER AWARD	THIS ACTION	AMENDED TOTAL
EPA Amount This Action	\$	\$ 42,000	\$ 42,000
EPA In-Kind Amount	\$	\$	\$ 0
Unexpended Prior Year Balance	\$	\$	\$ 0
Other Federal Funds	\$	\$	\$ 0
Recipient Contribution	\$	\$	\$ 0
State Contribution	\$	\$	\$ 0
Local Contribution	\$	\$	\$ 0
Other Contribution	\$	\$	\$ 0
Allowable Project Cost	\$ 0	\$ 42,000	\$ 42,000

Assistance Program (CFDA)	Statutory Authority	Regulatory Authority
66.468 - Safe Drinking Water State Revolving Fund	Safe Drinking Water Act Section 1452	40 CFR PART 31

Fiscal									
Site Name	DCN	FY	Approp. Code	Budget Organization	PRC	Object Class	Site/Project	Cost Organization	Obligation / Deobligation
-	W6E043	00	E3C	09LA09K	20101B	41.09	99DB	-	42,000
									42,000

## Budget Summary Page

<b>Table A - Object Class Category (Non-construction)</b>	<b>Total Approved Allowable Budget Period Cost</b>
<b>1. Personnel</b>	\$0
<b>2. Fringe Benefits</b>	\$0
<b>3. Travel</b>	\$0
<b>4. Equipment</b>	\$0
<b>5. Supplies</b>	\$2,000
<b>6. Contractual</b>	\$40,000
<b>7. Construction</b>	\$0
<b>8. Other</b>	\$0
<b>9. Total Direct Charges</b>	\$42,000
<b>10. Indirect Costs: % Base</b>	\$0
<b>11. Total (Share: Recipient % Federal <u>100.00</u> %.)</b>	\$42,000
<b>12. Total Approved Assistance Amount</b>	\$42,000
<b>13. Program Income</b>	\$0

### **Administrative Conditions**

1. An interim Financial Status Report (FSR), Standard Form 269A (Rev. 7/97), covering the period from "project/budget period start date" to September 30 of each calendar year shall be submitted to the Grants Management Office, PMD-7, no later than December 31 of the same calendar year. The FSR covering the entire project period shall be submitted within 90 days after the end of the project period (40 CFR Part 31.23(b)).
2. The recipient shall comply with the Single Audit Act and the reporting requirements set forth in OMB Circular A-133.
3. The recipient must ensure to the fullest extent possible that at least 8% (6%=MBE/2%=WBE) of Federal funds for prime contracts or subcontracts for supplies, construction, equipment or services are made available to organizations owned or controlled by socially and economically disadvantaged individuals, women, and historically black colleges and universities.

The recipient agrees to include in its bid documents an 8% (6%=MBE/2%=WBE) "Fair Share" percentage and require all of its prime contractors to include in their bid documents for subcontracts an 8% (6%=MBE/2%=WBE) "Fair Share" percentage.

To evaluate compliance with the "Fair Share" policy, the recipient also agrees to comply with the six affirmative steps stated in 40 CFR Section 30.44(b), Section 31.36(e), or Section 35.6580(a), as appropriate.

4. If a recipient procures equipment, services, supplies, or contracts under an assistance agreement, the recipient agrees and is required to utilize the following six affirmative steps:
  - a. Include qualified Small Business Enterprises (SBEs), Minority Business Enterprises (MBEs), and Women Business Enterprises (WBEs) on solicitation lists;
  - b. Assure that SBEs, MBEs, and WBEs are solicited whenever they are potential sources;
  - c. Divide total requirements, when economically feasible, into small tasks or quantities to permit maximum participation of SBEs, MBEs, and WBEs;
  - d. Establish delivery schedules, where the requirements of the work permit, which will encourage participation by SBEs, MBEs, and WBEs;
  - e. Use the services and assistance of the Small Business Administration and the Minority Business Development Agency, U.S. Department of Commerce, as appropriate; and



f. If the prime contractor awards contracts/procurements, require the contractor to take the affirmative steps in subparagraphs a. through e. of this condition.

5. The cost principles of OMB Circular **A-87** are applicable to this award. Since there are no indirect costs included in the assistance budget, they are not allowable under this Assistance Agreement.

6. Pursuant to EPA Order 1000.25, dated January 24, 1990, the recipient agrees to use recycled paper for all reports which are prepared as a part of this agreement and delivered to EPA. This requirement does not apply to Standard Forms. These forms are printed on recycled paper as available through the General Services Administration.

7. Effective October 1, 1994, the recipient agrees to ensure that all conference, meeting, convention, or training space funded in whole or in part with Federal funds complies with the Hotel and Motel Fire Safety Act of 1990.

8. Payment to consultants. Per 40 CFR **Part 31.36(j)**, EPA will limit its participation in the salary rate (excluding overhead) paid to individual consultants retained by recipients or by a recipient's contractors or subcontractors to the maximum daily rate for a GS-18, which is equivalent to level 4 of the Executive Schedule, to be adjusted annually. Subagreements with firms for services which are awarded using the procurement requirements in this part are not affected by this limitation.

9. The Tribal Set-Aside Program requires that all water systems requesting project funding are in compliance with the Safe Drinking Water Act (SDWA) and have adequate provisions for long-term operation and maintenance, which is measured in terms of how well an owner of a public water system meets the criteria of technical, managerial, and financial capacity (TMF). The Hopi Tribe and Upper and Lower Moenkopi Villages must comply with the following capacity requirements (technical, managerial, and financial):

a. Technical capacity - refers to the technical knowledge of the system personnel and their ability to use that knowledge to adequately operate the system.

b. Managerial capacity - includes the ability of the owner to adequately staff the system with qualified personnel, an understanding of the regulatory requirements involved in operating a water system, and the ability to interact well with customers and the regulating authority [(the Environmental Protection Agency (EPA))].



- c. Financial capacity - includes the ability of the owner to maintain sufficient revenues to cover operation costs and the effective management of those resources in operating the system.

To assist in ensuring that TMF capacity requirements are met, the Villages of Upper and Lower Moenkopi will execute a Memorandum of Agreement (MOA) by February 28, 2001. This MOA shall be based on the June 26, 2000 Letter of Intent outlining the responsibilities for the operation and maintenance of their own distribution system, and to equitably share any costs and responsibilities associated with joint ownership and operation of a consolidated public water system serving their respective villages. In addition, the public water systems in the project area shall continue to be operated by their existing management until the MOA is signed and in effect.

10. All monitoring and reporting requirements for the Moenkopi public water systems shall be maintained pursuant to the Safe Drinking Water Act.

11. A mid-project status report for the period October 1 - November 30, 2000 must be submitted by the Hopi Tribe Water Resources Program to the EPA Project Officer by December 8, 2000. The contents of the report will include:

- a. a short summary of accomplishments during the report period;
- b. a narrative on progress in completing the individual project tasks;
- c. the dates specific tasks were completed;
- d. the projected accomplishments for the next reporting period, a summary of financial information (i.e., expenses to date compared to work completed and remaining funds compared to tasks yet to be completed); and
- e. information on activities of the workplan that are not expected to be completed or problematic in implementing, or other information as requested by the EPA Project Officer.

12. A final project report must be submitted to the EPA Project Officer by February 28, 2001 or no later than 30 days after completion of all activities. The report will document the project activities, the recipient's achievements with respect to the project's objective, and any unexpended funds.

13. All project reports, National Environmental Policy Act (NEPA) studies and associated technical documents developed under this grant will be forwarded upon completion to the EPA Project Officer.

14. For the purposes of this agreement, fees paid to the water system by users, such as monthly user fees and installation charges, and any other income generated by this project is considered program income. Program income may be added to the amount of this award and used for eligible costs under OMB Circular A-87 to maintain and operate the public water system, which includes any collection, treatment, storage, and distribution facilities under control of the operator of such system. 40 CFR 31.25(g)(2).

In accordance with 40 CFR 31.25(h) this agreement is subject to program income requirements after the award period. After the end of the award period, the assistance agreement recipient shall use program income in a manner consistent with this term and condition of the assistance agreement affecting disposal of program income and eligible costs. The assistance agreement recipient shall maintain appropriate records to document compliance with these requirements (i.e., records relating to the use of post-award program income). 40 CFR 31.42(c)(3). EPA may request access to these records or may negotiate post closeout reporting requirements to verify that post-award program income has been used in accordance with the terms and conditions of the original agreement.

15. Construction may not begin until a National Environmental Policy Act (NEPA) environmental review and documentation acceptable to ALL parties is completed for all complete drinking water system alternatives under consideration for the facility.

--- end of agreement --